



Member Motion

City Council

Notice of Motion

MM31.19	ACTION			Ward: 11
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Protecting and Creating Affordable Homes in the Kensington Market Neighbourhood - by Councillor Mike Layton, seconded by Councillor Joe Cressy

** Notice of this Motion has been given.*

** This Motion is subject to referral to the Planning and Housing Committee. A two-thirds vote is required to waive referral.*

Recommendations

Councillor Mike Layton, seconded by Councillor Joe Cressy, recommends that:

1. City Council authorize the Executive Director, Housing Secretariat to provide \$3,000,000 to the Kensington Market Community Land Trust to acquire, renovate and operate the property municipally known as 54-56 Kensington Avenue as affordable rental housing with at-grade retail space for a minimum of 99 years, subject to the successful acquisition of the property by the Kensington Market Community Land Trust by no later than May 31, 2021; approval of a business case for the property outlining the management plan, management qualifications and financial viability of the project, satisfactory to the Executive Director, Housing Secretariat; and the Kensington Market Community Land Trust entering into a municipal housing facility agreement (the "Contribution Agreement") with the City, on terms and conditions satisfactory to the Executive Director, Housing Secretariat.

2. City Council increase the Approved 2021 Operating Budget for the Housing Secretariat by \$3,000,000 gross, to be payable to 54-56 Kensington Avenue, subject to Part 1 above, fully funded by Section 37 (Planning Act Reserve Fund) community benefits for this purpose, received by the City from the following developments:

a. 275 Albany Avenue and 420 Dupont Street, secured for the provision of new affordable housing, in the amount of \$1,107.01 (Source Account: XR3026-3701049);

b. 231-237 College Street and 177-189 Huron Street, secured for capital improvements to Toronto Community Housing in Ward 20, however the funds have not been used for 3 years and as per the provisions of the by-law and section 37 Agreement, the funds can be redirected for affordable housing generically, in the amount of \$221,085.94 (Source Account: XR3026-3700835);

c. 126-128 Hazelton Avenue, secured for a range of uses including the provision of

affordable housing, in the amount of \$68,468.12 (Source Account: XR3026-3700969);

d. 4, 6 and 8 St. Thomas Street and 100-110 Charles Street West, secured for new affordable housing, in the amount of \$372,145.02 (Source Account: XR3026-3700642);

e. 1-11 Bloor Street West, 768-784 Yonge Street, and 760-762 Yonge Street, secured for new affordable housing, in the amount of \$2,100,643.63 Source Account: XR3026-3701059); and

f. 826-834 Yonge Street and 2-8 Cumberland Street, secured for affordable housing, in the amount of \$236,550.28 (Source Account: 220096).

3. City Council authorize the Executive Director, Housing Secretariat to negotiate and enter into a municipal housing facility agreement (the "Contribution Agreement") with the Kensington Market Community Land Trust, on terms and conditions satisfactory to the Executive Director, Housing Secretariat and in a form acceptable to the City Solicitor, to secure the property as affordable rental housing for a 99 year term, subject to Part 1 above.

4. City Council enact a site specific by-law amending the criteria for "Affordable Housing" in the Municipal Housing Facility By-law 1756-2019, to exempt the 12 affordable rental housing units at 54-56 Kensington Avenue to be operated by the Kensington Market Community Land Trust from the restriction that affordable rental housing units be "new" housing to meet the definition of "Affordable Housing" in Municipal Housing Facility By-law 1756-2019, subject to Part 1 above.

5. City Council, conditional on the enacting of the site specific by-law amendment referred to in Part 4 above, exempt the 12 affordable rental units at 54-56 Kensington Avenue from taxation for municipal and school purposes for the term of the City's Contribution Agreement with Kensington Market Community Land Trust, which will be 99 years.

6. City Council authorize the Controller to cancel or refund any taxes paid after the effective date of the Contribution Agreement.

7. City Council authorize severally each of the Executive Director, Housing Secretariat and the General Manager, Shelter, Support and Housing Administration to execute, on behalf of the City, any security or financing documents required by the non-profit housing provider, including any postponement, confirmation of status, discharge or consent documents where and when required during the term of the municipal housing facility agreement, as required by normal business practices, and provided that such documents do not give rise to financial obligations on the part of the City that have not been previously approved by City Council, subject to Part 1 above.

Summary

In Toronto's current real estate market, affordable multi-unit rental buildings are rapidly being converted into expensive rentals, or demolished to make way for new condominium development. There is a critical need to permanently protect the affordability of existing rental housing across the city, and partnerships with the non-profit housing sector provide a viable pathway towards doing so.

This Motion presents such an opportunity: to help a land trust acquire a property in Kensington Market and maintain its 12 units as affordable rental housing for the next 99 years. The building's tenants have already been faced with the threat of renoviction, and protecting their homes is urgent.

This Motion recommends that City Council direct the Executive Director, Housing Secretariat to provide \$3,000,000 in funding to the Kensington Market Community Land Trust to acquire, renovate, and operate the property municipally known as 54-56 Kensington Avenue in Toronto, fully funded by Ward 11, University-Rosedale Section 37 funds with funding provided by the various developments in the Ward, subject to the Kensington Market Community Land Trust successfully acquiring the property by no later than May 31, 2021. This Motion also recommends that the 12 residential units be exempt from the payment of property taxes for 99 years to ensure long term viability of the project and to secure the units as affordable rental housing in perpetuity.

The property at 54-56 Kensington Avenue is an existing mixed-use property with 12 dwelling units and 5 retail units at-grade. Ten of the 12 units are currently occupied. The property is currently on the market for sale, and the Kensington Market Community Land Trust has signed a conditional Agreement of Purchase and Sale with the owners. The Land Trust is completing due diligence on the property and anticipates closing of the transaction by May 26, 2021.

Background Information (City Council)

Member Motion MM31.19